has recently formulated a financial package for revitalization of the SFCs. The Package envisages that those SFCs which enter into a Memorandum of Understanding (Moll) with SIDBI along with the respective State Governments would be eligible for following reliefs/concessions:

(1) Reduction in the rate of interest on outstanding retina nee/Line of Credit by 2% p.a.

(2) A Rebate of 2% in the Rate of Interest for all future refinance/ Line of Credit; arid

(3) A Moratorium of One Year for Repayment of existing dues.

Income Tax Ombudsman

691. SHRIMATI KAMLA MANHAR:
SHRI RAJU PARMAR:
SHRIMATI BIMBA RAIKAR:
SHRI RAMA MUNI REDDY SIRIGIREDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have decided to constitute Income Tax Ombudsman to resolve tax payers' grievances in the country;

(b) if so, the details thereof; and

(c) whether the proposed Ombudsman will handle technical disputes, legal disputes, etc. as in the case of banking and insurance sectors, and if not, what will be the power of proposed Ombudsman?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHRIPAD YESSO NAIK): (a) to (c) Yes, Sir. Necessary action for setting up of the Institution of Income-Tax Ombudsman, including assigning functions and powers to the Ombudsman, is being taken by the Government.

Softening of Interest Rate

692. SHRI TARINI KANTA ROY:
DR.AKHILESH DAS:

Will the Minister of FINANCE be pleased to state:

(a) whether Bankers and business community have been optimistic about the Reserve Bank's known stand of a softening interest rate regime, the poor common depositors including the pensioners and the senior

citizens, who place their life savings with Banks and the farmers and workers, are on the receiving end, and are more helpless onlookers;

(b) if so, the steps contemplated to protect the interest of the common depositors, the peasants, workers and senior citizens; and

(c) the total estimated amount of (1) Employees Provident Funds (2) other workers' funds and (3) deposits of pensioners and senior citizens with RBI and other Banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) In the wake of comfortable liquidity conditions and the decline in inflation rate, interest rates, in general, have softened in the recent period and the Banks have been permitted to formulate fixed deposit schemes specifically for senior citizens offering higher and fixed rates of interest as compared to normal deposits of any size. This special deposit scheme has been provided to senior citizens to mitigate their hardships arising out of the falling interest rates on deposits.

(c) RBI does not generate this data.

Performance of PSU Banks

693. SHRI K. KALAVENKATA RAO:

SHRI C. RAMACHANDRAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether Public Sector Banks have improved their overall performance during the last fiscal year reporting a substantial growth of more than 50 per cent in their net profit;

(b) if so, the details thereof;

(c) whether the dividend paid by the Public Sector Banks is inadequate as compared to their net profit, and if so, the reasons therefor; and

(d) what is the quantum of dividend paid by these banks for the last fiscal year?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a), (b) and (d) The net profit and dividend paid by public sector banks for the last two years is as under:—